

Message Text

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ACTION EB-08

INFO OCT-01 ARA-10 IO-13 ISO-00 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 FRB-01 H-02 INR-07 INT-05 L-03 LAB-04
NSAE-00 NSC-05 PA-02 AID-05 CIEP-02 SS-15 STR-04
ITC-01 TRSE-00 USIA-15 PRS-01 SP-02 OMB-01 FEA-01
AF-08 EA-09 EUR-12 NEA-10 /148 W
-----312206Z 126014 /70

R 311646Z JAN 77

FM USMISSION GENEVA
TO SECSTATE WASHDC 4864
INFO AMEMBASSY BELIZE
AMEMBASSY BRIDGETOWN
AMEMBASSY GEORGETOWN
AMEMBASSY KINGSTON
AMEMBASSY PORT OF SPAIN

UNCLAS GENEVA 0657

E.O. 11652: N/A

TAGS: GATT, ETRD, XL

SUBJECT: GATT WORKING PARTY ON CARICOM

REF: STATE 15638 (NOTAL)

1. SUMMARY: GATT WP ON CARICOM GENERALLY AGREED THAT CARICOM AN INTERIM AGREEMENT LEADING TO A CUSTOMS UNION AND CONSISTENT WITH ARTICLE XXIV. U.S. UNABLE TO GAIN SUPPORT FOR POSITIONS IN PARA 5 AND 6 OF REFTEL AND THEREFORE INSERTED STATEMENT IN REPORT QUESTIONING CARICOM'S CONSISTENCY WITH GATT ARTICLE XXIV BECAUSE OF MARKETING ARRANGEMENTS FOR SELECTIVE AGRICULTURAL PRODUCTS. END SUMMARY.

2. GATT WP ON CARICOM (CARIBBEAN COMMUNITY AND COMMON MARKET) MET JANUARY 25 AND 26. CARICOM DEPUTY SECRETARY GENERAL, TYNDALL, STRESSED CONTINUITY OF CARICOM AGREEMENT
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WITH CARIFTA AND DECLARED THAT CARICOM WAS AN INTERIM AGREEMENT LEADING TO ESTABLISHMENT OF A CUSTOMS UNION AND THEREFORE IN COMPLIANCE WITH ARTICLE XIV OF GATT.

3. ALL MEMBERS OF WP WHO SPOKE INDICATED SYMPATHY FOR ECONOMIC PROBLEMS OF CARICOM STATES AND EXPRESSED SUPPORT FOR OBJECTIVES OF CARICOM, BUT ONLY SWEDEN, CANADA, AND

U.S. ASKED QUESTIONS. SWEDEN QUESTIONED THE ANSWER GIVEN TO QUESTION 14 (B) IN L/4083 TO EFFECT THAT NONE OF THE GATT MEMBERS OF CARICOM HAD BOUND DUTIES. JAMAICA SAID IT BELIEVED IT DID NOT BUT COULD NOT CONFIRM. IN REPLY TO U.S. QUESTION WHETHER REGIONAL QRS CONTEMPLATED IN ARTICLE 33 OF CARICOM WOULD BE CONSISTENT WITH GATT, TYNDALL SAID THAT A CARICOM WORKING PARTY WAS REVIEWING QUESTION OF REGIONAL QRS WITH A VIEW TO RATIONALIZING THE SYSTEM. IN RESPONSE TO CANADIAN QUESTION TYNDALL SAID IT WOULD NOTIFY TO GATT DECISIONS TAKEN IN RESPECT OF REGIONAL QRS BUT THAT DECISION AS TO NOTIFICATION OF NATIONAL QRS WAS UP TO INDIVIDUAL MEMBER STATES. U.S. INSISTED ON STATEMENT IN REPORT TO EFFECT THAT REGIONAL QRS CONTEMPLATED IN ARTICLE 33 WOULD NOT APPEAR TO BE CONSISTENT WITH ARTICLE XXIV:5(A) OF GATT. CARICOM MEMBERS REPLIED THAT THEY COULD NOT ACCEPT U.S. STATEMENT AS IT WAS BASED ON A HYPOTHETICAL SITUATION IN THAT CARICOM WORKING PARTY HAS NOT YET COMPLETED ITS WORK.

4. IN RESPONSE TO U.S. QUESTION ON GATT LEGALITY OF SCHEDULE VIII (MARKETING ARRANGEMENTS FOR SELECTIVE AGRICULTURAL PRODUCTS) CARICOM STRESSED THAT SCHEDULE VIII DESIGNED TO INCREASE AGRICULTURAL PRODUCTIVITY OF LEAST DEVELOPED MEMBERS OF THE COMMUNITY, THAT IT HAD NEVER WORKED TO RESTRICT WORK OF MEMBER STATES, AND THAT PRODUCTS COVERED BY SCHEDULE VIII REPRESENT ONLY 1.2 PERCENT OF INTRA-CARICOM TRADE. U.S. AGAIN INSISTED ON STATEMENT FOR THE RECORD IN REPORT TO EFFECT THAT IN ITS OPINION THE CARICOM AGREEMENT AS PRESENTED UNCLASSIFIED

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MAY NOT SATISFY THE CONDITIONS OF ARTICLE XXIV BECAUSE OF SCHEDULE VIII. CARICOM MEMBERS REPLIED THAT STATEMENT SEEMED TO TAKE INTO CONSIDERATION PART IV OF THE GATT AND IN PARTICULAR ARTICLE XXXVI (I) (F).

5. CONCLUSIONS OF WP NOTED THAT IT WAS GENERALLY AGREED THAT CARICOM CONSTITUTED AN INTERIM AGREEMENT LEADING TO ESTABLISHMENT OF A CUSTOMS UNION AND AS SUCH WAS CONSISTENT WITH ARTICLE XXIV. AND NOTED THAT SOME CONCERN WAS EXPRESSED AT THE POSSIBLE EFFECTS OF SCHEDULE VIII ON TRADE WITH THIRD COUNTRIES. CONCLUSIONS ALSO NOTED CARICOM STATEMENT THAT SCHEDULE VIII WAS TO PROVIDE ORDERLY MARKETING POSSIBILITIES FOR A SMALL SURPLUS OF AGRICULTURAL COMMODITIES OF LESS DEVELOPED MEMBERS OF CARICOM, DID NOT CONSTITUTE A BARRIER TO TRADE, AND WAS NON-DISCRIMINATORY IN ITS EFFECT. CONCLUSIONS ALSO STATED THAT CARICOM PREPARED TO SUPPLY INFORMATION ON PERIODIC BASIS AND TO NOTIFY ANY CHANGES TO GATT. FINAL SENTENCE STATES THAT CARICOM TREATY IN NO WAY CONSIDERED AS

AFFECTING THE LEGAL RIGHTS OF CONTRACTING PARTIES UNDER
THE GATT. THIS SENTENCE COVERS RIGHTS OF CONSULTATIONS
IN ARTICLES XXII AND XXIII AS WELL AS OTHER GATT RIGHTS.

6. U.S. WAS NOT ABLE TO GAIN ANY SUPPORT FOR POSITIONS
IN PARAS 5 AND 6 OF REFTTEL. IN 76 GENEVA 9991, MISSION
HAD INVITED EARLY INSTRUCTIONS. WE BELIEVE CANADA AND
CONCEIVABLY JAPAN MIGHT HAVE SUPPORTED US IF WE COULD
HAVE GOTTEN TO THEM IN TIME FOR THEM TO COMMUNICATE WITH
THEIR CAPITALS. CATTO

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Message Attributes

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Copy: SINGLE
Sent Date: 31-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
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Disposition Event:
Disposition History: n/a
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Drafter: n/a
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